VZCZCXRO4256 OO RUEHBI RUEHCI RUEHDBU RUEHLH RUEHPW DE RUEHNE #4822/01 3041327 ZNY CCCCC ZZH O 311327Z OCT 07 FM AMEMBASSY NEW DELHI TO RUEHC/SECSTATE WASHDC IMMEDIATE 9081 INFO RUCNCLS/ALL SOUTH AND CENTRAL ASIA COLLECTIVE RUEHBJ/AMEMBASSY BEIJING 6629 RUEHLO/AMEMBASSY LONDON 4411 RUEHMO/AMEMBASSY MOSCOW 2438 RUEHKO/AMEMBASSY TOKYO 5391 RUEKJCS/SECDEF WASHDC RUEAIIA/CIA WASHDC RHEHNSC/NSC WASHDC RUEIDN/DNI WASHINGTON DC RHHMUNA/HQ USPACOM HONOLULU HI RUCNDT/USMISSION USUN NEW YORK 5558 RUEHGV/USMISSION GENEVA 7331 RUEKJCS/JOINT STAFF WASHDC RUMICEA/USCENTCOM INTEL CEN MACDILL AFB FL

C O N F I D E N T I A L SECTION 01 OF 04 NEW DELHI 004822

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E.O. 12958: DECL: 10/31/2017
TAGS: PREL PGOV PTER PREF KDEM UN BT NP IN
SUBJECT: MEA SLAMS UNMIN, URGES ELECTIONS AT THE SOONEST
FOR NEPAL

REF: A. A: USUN NEW YORK 000924

¶B. B: NEW DELHI 004493

Classified By: PolCouns Atul Keshap for Reasons 1.4 (B,D)

11. (C) SUMMARY: Ministry of External Affairs (MEA) Joint Secretary (for Nepal and Bhutan) Preeti Saran conveyed in an

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October 30 meeting with Acting PolCouns her government's disappointment with the electoral delay in Nepal, emphasized the need for New Delhi and Washington to pressure the Government of Nepal (GON) to announce a new election date as soon as possible, and warned against what she viewed as the increasing activism of the UN Mission in Nepal (UNMIN). Underscoring that the current interim parliament inflates the true power of the Maoists and lacks any popular mandate, Saran cautioned that only an elected constituent assembly was the proper body to resolve such crucial issues as deciding the structure of the state and the future of the monarchy; the answers to those questions, however, were for the people of Nepal to decide. With the Maoists continuing to "move the goalposts", she argued that a decision by the GON to move forward with election plans would "call the Maoists' bluff" and allow the GON to seize the initiative. Without a quick return to elections -- which she hoped would occur as early as February or March 2008 -- she predicted two futures for Nepal: either a Maoist takeover or a return to civil war. Meanwhile, UNMIN officials -- specifically UNMIN head Ian Martin -- have exacerbated the situation with their Maoist sympathies, she cautioned, and thus any attempt by the UN to expand UNMIN's mandate must be stopped. The conversation reveals that the GOI continues to value coordination with the USG on Nepal but lacks any identifiable contingency plan for its neighbor -- instead pinning all its hopes on holding elections as soon as possible; in the meantime it has redirected much of its focus on reining in the UN. END SUMMARY

Elections Are the Key to a Positive Outcome in Nepal

12. (C) In a meeting with Acting PolCouns on October 30, MEA Joint Secretary (for Nepal and Bhutan) Preeti Saran conveyed her government's disappointment over the indefinite postponement of Nepal,s constituent assembly elections, emphasized that the holding of elections at the earliest possible date was essential to forestalling Nepal's descent into civil war or a Maoist takeover, and admitted that New Delhi had yet to formulate a contingency plan should events in Nepal continue in the wrong direction. Saran began the meeting by expressing her appreciation for the close working relationship that the United States and India have forged in addressing the issue and stated that the two countries share the same goals for Nepal -- peace and security. She then decried the GON's decision earlier this month to delay elections, stating that she still does not understand why the November 22 date was not feasible. During the visit to Kathmandu in mid-October by Indian Special Envoy to Nepal Shyam Saran, the Special Envoy stressed India,s extreme disappointment with the delay to the GON and urged the announcement of a new election date as early as possible. Saran argued that the earliest that elections could now be held would be in the spring -- in late February or March -given weather conditions in the interregnum.

13. (C) Elections are the best and only way forward for a successful political transition in Nepal, Saran cautioned; otherwise Nepal would be headed for one of two outcomes: a Maoist takeover or a return to civil war. India would not welcome either of these negative outcomes, she argued, and thus was throwing its full weight behind the holding of elections even if it meant proceeding without Maoist consent or divorcing it from the rest of the peace process, including the weapons verification process or discussion of security sector reform. Highlighting how the Maoists have held the GON hostage to their shifting demands throughout the process, she lamented that the Maoists continue to "shift the goalposts" with new demands and argued that the GON needed "to call the

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Maoists' bluff" and proceed with elections no matter their reaction.

- (C) New Delhi's logic in arguing for the holding of elections centers on the realization that the current regime lacks any democratic mandate and has afforded the Maoists more political influence than they actually have amongst the populace or would get in a free and fair election. Such key issues as the future of the monarchy and structure of the state must be decided by the people through a democratically elected constituent assembly, she cautioned. New Delhi has no stance on what the answers to these key political questions facing Nepal -- "it is for the people of Nepal to decide the structure of the state," she said -- as long as the decision takes place in the proper democratic forum. Noting that the Maoists currently have 84 seats in the Interim Parliament, Saran argued that they realize that they would lose influence if elections proceed and thus were attempting to extend the life of the current regime as long as possible. The GON should proceed with elections even if the Maoists refuse to participate and even if elections result in a formal split in the Maoists -- who are facing tensions within their leadership over whether they should continue with the peace process. She downplayed reports of growing tensions within the Maoist movement and argued that even if a fracture did occur, Maoist leader Pushpa Dahal (aka Prachanda) would remain the most powerful.
- 15. (C) Saran demurred when Acting PolCouns asked if New Delhi had developed a contingency plan for Nepal, stating only that India, as the country that would be most affected by any implosion in Nepal, remained engaged on the issue. To underscore the impact that Nepal has on India, she relayed that recent violence in Nepal's Kapilvastu District, which borders India, resulted in the influx of 18,000 Nepali women and children across the border into India in one day. When queried about whether India's Hindu-nationalist Rashtriya Swayamsevak Sangh (RSS) might be involved in fomenting unrest in Nepal, Saran argued that while RSS activism might be

occurring on a small scale in Nepal, it is overplayed by the press.

No Love Lost for UNMIN

- 16. (C) In addition to the election timeframe, New Delhi is increasingly worried about the role of UNMIN in Nepal's transition. Saran harshly criticized what she viewed as the increasing activism, pro-Maoist sympathies, and interference in purely domestic issues by UNMIN and specifically its head, Ian Martin, stating that UNMIN was exacerbating Nepal's instability. Although she underscored New Delhi's support for a UN role in Nepal and the logistical support it had so far lent to UNMIN under its current mandate, Saran argued that UNMIN had surpassed its current mandate by counseling the Maoists and inserting itself into the Madhesi and Janjati issues and the debate over the proper electoral structure.
- 17. (C) Saran claimed that UNMIN representatives were only interested in institutionalizing their presence and empire building, including expanding their role there "to increase the number of UN jobs" and to provide Ian Martin with job security. She further argued that UNMIN officials had counseled the Maoists to demand an electoral system based only on proportional representation, leading to the current political stalemate in Kathmandu. She also highlighted Ian Martin's October 25 report to the UN Security Council (Ref A) as more evidence of UNMIN's pro-Maoist sympathies; the report, she argued, was "damning on the GON" but relatively light on criticism of the Maoists. Although not against extending UNMIN's tenure under its current mandate, she cautioned against expanding that mandate and hoped that Washington would vote against any expansion at the UN Security Council. Stating that Ian Martin enjoyed the sympathies of his home country, the United Kingdom, Saran admitted that New Delhi had formally conveyed to British officials its disapproval of Ian Martin's and UNMIN's

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behavior in Nepal and its desire for a continued UN presence without an expansion of its current mandate.

Chinese Actions in Nepal of Little Concern

18. (C) When queried by Acting PolCouns about India's views on China's role in Nepal, Saran stated that New Delhi had little concern about Beijing's activities in and policies toward Nepal, arguing that Nepal remained firmly within India's cultural and economic sphere of influence. She stated that India realizes that China, as Nepal's neighbor, is naturally watching Nepal closely but sees meetings between the Maoists and Chinese officials over the past few months merely as part of Beijing,s efforts to remain on top of developments in Kathmandu.

Fully Supportive of USG Efforts with Bhutanese Refugees

¶9. (C) The meeting wrapped up with a discussion of Bhutanese refugees in Nepal. Saran welcomed Washington's "exceptionally generous" offer to accept 60,000 of the refugees and pledged that New Delhi would lend whatever logistical support American officials needed to facilitate the resettlement process. She stated that she hoped that Washington's as well as other countries' offers to take in the majority of the refugees would bring about a final resolution to the festering problem. She expressed concern about the increasing radicalization of the refugees by the Maoists and the Communist Party of Bhutan, warning that the longer the refugees remain, the more radical they will become. She worried that Maoist intimidation would prevent all those who desired to be resettled abroad from following through on their wish. Although worried about the spread of Maoist influence in the camps, Saran opined that the Maoists

and the Communist Party of Bhutan posed little risk to at this time to Bhutan's elections this coming December and February.

Comment: If Plan A Fails, Blame the UN

- ¶10. (C) Comment: Only a few weeks after claiming that the November constituent assembly elections were now or never (Ref B), the MEA appears to be swallowing its words and basing its present Nepal policy on the tenuous hope that elections will occur as soon as possible. Saran provided no insight on exactly how the Government of India (GOI) plans to help effect this result nor gave any indication that New Delhi has any back up plan for the possibility that elections may never occur. Instead, Saran was more concerned with the pillorying the UN. It seems that the GOI's concern about the UN has become so preoccupying that it threatens to distract New Delhi from focusing on the bigger issue of reinvigorating Nepal's peace process at this crucial juncture and planning for the worst-case scenario. The silver lining is that New Delhi is eager to continue to coordinate closely with us to positively affect the political process taking place in Nepal.
- $\P11$. (C) We sent this cable to Embassy Kathmandu, and they had the following additional comments. Ambassador Powell met with UK and Indian ambassadors October 31. Mukherjee, who had just come back from New Delhi, reported the growing concern and frustration in the MEA with the Nepalis' failure to agree on an election date. He was much milder in his personal approach, indicating that a conscious decision had been made to let the Nepalis sort out the current problems without any Indian attempt to broker an agreement or come up with a solution. All three ambassadors agreed that despite rhetoric in yesterday's parliamentary session which referred to civil war, the most likely scenario was for the politicians to come to some sort of agreement that would allow the current interim arrangements to continue, but also block real progress on the peace agreement implementation. The net result would be further erosion of the interim

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government's legitimacy. There was space between the UK/EU and Indian positions on the relative importance of setting an election date and moving forward on the peace process, but general agreement that progress was needed on both fronts. Mukherjee was adamant that elections could/should go forward with or without the Maoists; Hall was much more in favor of keeping the Maoists in the process even at the price of further compromise. Mukherjee said the Indians would support extension of the current UNMIN mandate, but would oppose any expansion. When pressed by Hall on the capacity of current UN staff to help with some of the peace process issues, he suggested that UNMIN could do many of these things within the current mandate if they were creative and low-key. MULFORD